

VZCZCXRO3182  
RR RUEHHM  
DE RUEHHI #1204/01 1852352  
ZNR UUUUU ZZH  
R 042352Z JUL 07  
FM AMEMBASSY HANOI  
TO RUEHC/SECSTATE WASHDC 5765  
RHMFIUU/DEPT OF ENERGY WASHINGTON DC  
INFO RUEHHM/AMCONSUL HO CHI MINH 3320

UNCLAS SECTION 01 OF 02 HANOI 001204

SIPDIS

DEPT FOR EAP/K AND EAP/MLS  
DEPT PASS TO NUCLEAR REGULATORY COMMISSION (KIRK FOGGIE)  
DEPT OF ENERGY FOR NNSA/NA-21 (DOUG TYNAN, SARAH FRAZER, KEN APT,  
SARAH DICKERSON)

SENSITIVE  
SIPDIS

E.O. 12958: N/A  
TAGS: [ENRG](#) [TRGY](#) [OTRA](#) [KGIT](#) [KNNP](#) [VM](#)  
SUBJECT: U.S. NUCLEAR REGULATORY COMMISSION COOPERATION WITH  
VIETNAM

REF: HANOI 0362

11. (SBU) Summary: Vietnamese officials from the Ministry of Science and Technology's Agency for Radiation and Nuclear Safety and Control (VARANSAC) have expressed a strong willingness to sign a cooperative agreement with the United States Nuclear Regulatory Commission (NRC) on nuclear regulatory issues, a proposal that was originally discussed during U.S. Nuclear Regulatory Commissioner Jeffrey Merrifield's visit to Hanoi on February 5. In a follow-up meeting on July 1, VARANSAC General Director Ngo Dang Nhan expressed gratitude for USG support to the Government of Vietnam (GVN) on nuclear safety and reiterated their keen interest to develop a cooperative agreement with the NRC. Cooperation to date has included converting the nuclear research reactor in Dalat from high enriched uranium (HEU) to low enriched uranium (LEU) fuel, physical security upgrades to 17 installations with radiological materials and transfer of export "tracker" customs control technology to the GVN. Post stands ready to take advantage of the GVN's eagerness to conclude a bilateral cooperative agreement on nuclear and radiological safety. End Summary.

12. (SBU) During discussions between U.S. Nuclear Regulatory Commissioner Jeffrey Merrifield and GVN officials on February 5 in Hanoi (reftel), Commissioner Merrifield indicated that one of the reasons for his visit was to explore the possibility of a bilateral "arrangement" on nuclear regulation with the United States. Vice Minister of Science and Technology Le Dinh Tien responded positively to the Commissioner's proposal. VM Tien noted that Vietnam has yet to develop a regulatory framework. He and other senior MOST officials were "delighted" to explore a cooperative agreement with the NRC. Such an agreement might assist the GVN to develop a 4000 MW of nuclear power plant by 2017, establish nuclear safety regulations and guidelines for some 2000 medical and industrial facilities that utilize radiological equipment and draft a new atomic energy law. VM Tien encouraged Commissioner Merrifield to discuss the cooperative arrangement further with VARANSAC.

VARANSAC on Past Cooperation and Cooperative Agreement

13. (SBU) ESTH officer met on July 1 meeting with VARANSAC Director General Ngo Dang Nhan to follow up on the February discussions. DG Nhan expressed gratitude for USG support to date on nuclear and radiological safety. He noted that the visits by President Bush to Hanoi in 2006 and President Triet to Washington in 2007 are a symbol of the good cooperation between the United States and Vietnam and was expressed confidence that increasing levels of cooperation would also apply to nuclear safety. One important step is the USG support for the conversion of the Dalat research reactor from HEU fuel to LEU fuel.

14. (SBU) Dr. Nhan recalled that the Department of Energy's National Nuclear Security Administration (NNSA) signed a basic ordering agreement with VARANSAC in June 2005. (Note: The NNSA's

International Radiological Threat Reduction Program supports physical security upgrades to 17 Vietnamese facilities with high-powered radiological sources. End Note.) Dr. Nhan said that everything is "going smoothly" and that three of these facility upgrades have been completed. A working team comprised of experts from Battelle Memorial Institute, a NNSA contractor, will travel to Vietnam in late July/early August to inspect progress to date.

¶5. (SBU) Dr. Nhan described the GVN's strategy to develop nuclear power by 2020, noting U.S. leadership in developing nuclear power and regulating the nuclear industry. He stated that VARANSAC, which was created in 2003, currently has a very limited capacity and competency to regulate the safety and control of radioactive materials and facilities. Therefore, the GVN is very interested in pursuing a cooperative agreement with the NRC that could help build the GVN's capacity on nuclear regulatory issues.

¶6. (SBU) Dr. Nhan described several potential areas of cooperation that the NRC could pursue through a cooperative agreement. These include the exchange of nuclear regulatory documents; technical assistance to develop nuclear laws and regulations; training for GVN officials on the need to manage radiological sources; the development of joint activities and applications; support for the GVN to participate in international treaties and harmonize their laws accordingly; assistance for training similar to that supported by the International Atomic Energy Agency; and support to develop a system to monitor and track radioactive sources and materials, including the importation and exportation of banned materials such as radiological substances.

#### USG Provides Export "Tracker" Control Technology

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¶7. (SBU) Dr. Nhan expressed his gratitude for the export licensing technology that the USG recently provided to VARANSAC. Under the

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auspices of the State Department's Export Control and Border Security program, which helps countries strengthen national trade control systems consistent with international standards, Embassy staff presented a specialized computer system valued at USD 40,000 to VARANSAC on June 27. The system, which is known as "Tracker," is designed for use by export control officials involved in the control of military goods and strategic commodities. The "Tracker" system will enable the GVN to process license applications for the export, import and transshipment of strategic commodities more efficiently.

¶8. (SBU) ESTHOff thanked Dr. Nhan for helping to foster the good cooperation between the USG and GVN on nuclear safety and offered to communicate VARANSAC's continued interest in developing a cooperative agreement to NRC Commissioner Merrifield.

Comment

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¶9. (SBU) Post stands ready to take advantage of the GVN's eagerness to conclude a bilateral cooperative agreement on nuclear regulation.

Post agrees that the agreement should be signed with MOST (i.e., with the bureaucratic overseer of the Vietnam Atomic Energy Commission (VAEC) and VARANSAC) to facilitate cooperation with all these entities.

MARINE